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- Cablevision loses Sacramento franchise
- C-SPAN survey adds fuel to Senate coverage debate
- New Orleans confronts Cox on construction delays
- Denver systematically seeking system contracts and sponsors

CableVision™

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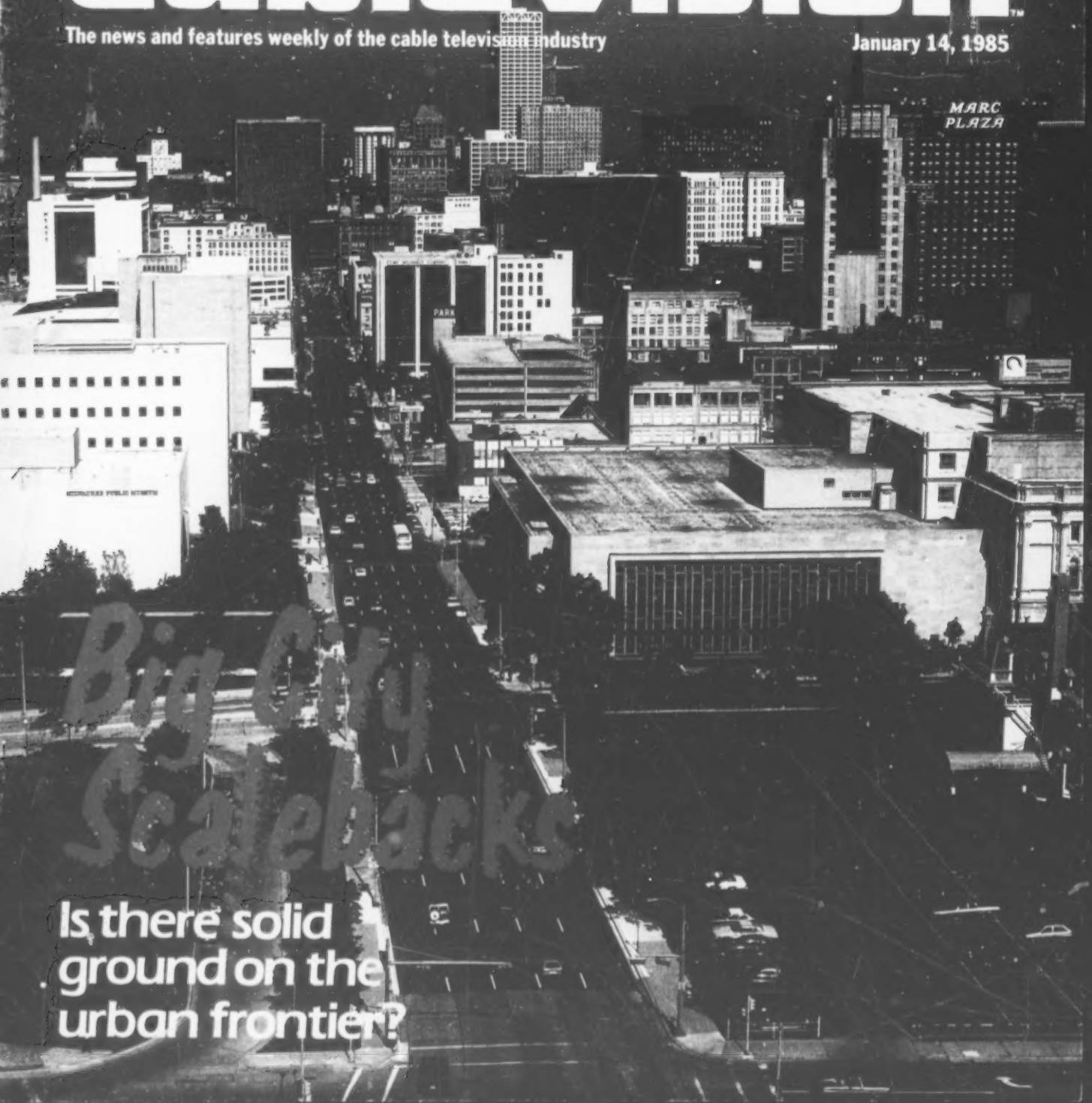

Big City Setbacks

Is there solid ground on the urban frontier?

Leading the week 9-24

Franchise lost

Cablevision Systems' Charles Dolan, who owns 47.5 percent of Cablevision of Sacramento, will be removed from the partnership with Scripps-Howard Cable Jan. 17 after failing to raise the $34 million in equity required by the partnership agreement. Scripps-Howard officials say they will take over the majority ownership in the system, either on their own or in association with partners.

Boston system woes

In Boston, Cablevision officials have filed for a property tax abatement as part of the system's continuing financial difficulties. Although company officials say they haven't asked for specific relief from franchise requirements, they say they are discussing with city officials the possibility of reducing the system's "public purpose funding burden."

NCTA President James Mooney.

Mooney doth protest

National Cable Television Association President James Mooney made his message quite clear. Reacting to reports that the Federal Communications Commission may require cable system operators to retransmit multi-channel TV sound (MTS) on a must-carry basis, he issued a strongly worded statement that such a move would prompt the industry to seek the elimination of must-carry rules.

Original programming offered at NATPE

At NATPE's annual conference which began in San Francisco last week, a growing number of broadcast syndicators were pitching original cable programming along with the usual crop of sitcoms and game shows for local stations to run this fall.

Odyssey launches

National Christian Network launches its new video music channel without affiliates or advertisers. The service is free to operators, who can run the 24-hour service in its entirety or use segments from it. Officials at Odyssey say they hope to have systems carrying the service by the end of this month and advertisers shortly thereafter.

Acton agrees to fees

Acton Corp. has tentatively agreed to pay Home Box Office about $1.7 million in carriage fees, the result of legal action taken by HBO against the 64th-ranked MSO last month in California and South Carolina.

C-SPAN viewership up

A new survey of C-SPAN viewers reveals that some 7.6 million households tune in to the network's public affairs programming each month, an audience that is growing both in numbers and in political awareness. The findings, which show an upscale, informed viewership, may fuel the continuing debate over live television coverage of the U.S. Senate.

Bond in question

Cox Cable New Orleans may have to forfeit its $1 million performance bond if the City Council approves a resolution that was recently introduced. The Atlanta-based operator is raising the ire of some city officials because the city's 202-mile institutional network, which was supposed to have been finished by December 1983, has not yet been completed.

Signing delayed

The District of Columbia's cable franchise, which was signed by Mayor Marion Barry Dec. 28, has not yet been signed by representatives from District Cablevision, the company that won the franchise award. President Robert Johnson may be delaying signing off on the franchise in light of a $125 million antitrust suit that was filed by a losing bidder.

COVER STORY

Scalebacks in the big cities

In the recent past cable companies have won major franchise concessions in the urban marketplace. Associate Editor Sally Russell explores why this has been happening and details the nature of the many scalebacks as well as their ramifications in the various cities and on the franchising process. See pages 28-33.

About the cover

This week's cover features a photograph of the city of Milwaukee, just one of a number of big cities in which cable companies have scaled back their original proposals. In the case of Milwaukee, Warner Amex won permission to defer interactive QUBE service and the system's second cable, was relieved of its obligations to construct a local origination studio and scaled back its institutional network considerably.

Sections

Review 26

Who hasn't forgotten the now infamous *Newsweek* article questioning both cable's current programming fare and the industry's future? Reviewer Robert DiMatteo hasn't, and he takes this opportunity to look back in a more positive fashion at how the medium fared in 1984. In commending cable TV DiMatteo points to particular shows and specials, of both basic and pay networks, that were entertaining or thought-provoking and gives the press a rap on the knuckles for not giving much of cable's challenging programming more ink.

Franchising calendar

This chart examines the franchise status of communities since December 1984.

Arizona

Gilbert—award to Masada Corp. 8/14/84 (3,000 homes).

California

Chino—preliminary award to Buenavision. Buenavision paid $25,000 deposit and submitted modifications to be approved by Council.
Claremont—Group W withdrew proposal (9,800 homes.)
Commerce—reached lease agreement with Falcon Communications 11/5/84 (3,000 homes).
Duarte—lease agreement reached with KTS Corp. for operation of city-owned system 8/15/84 (7,100 homes).
East Yolo—conforming proposals from Cablevision, Sonics, Yolo Communications and Federal Communications Inc. to new act. Reducing each application to contract language.
La Puente—award to United Cable 11/28/84 (8,600 homes).
Los Altos—award to United Cable 12/84 (9,000 homes).
Palo Alto—negotiating with Cable Communications Co-op of Palo Alto and City Cable Partners Inc. until April (23,000 homes).
Rosemead—soliciting franchise proposals (13,114 homes).
South Monrovia—award to Falcon Communications 9/18 (5,400 homes).
Yorba Linda—deadline extended for statements of interest (12,000 homes).

Delaware

Wilmington—negotiating with Rollins Cable (140,000 homes).

District of Columbia

Washington, D.C.—award to District Cablevision 7/10/84 (254,000 homes).

Illinois

Chicago—Area I, agreement with Communications and Cable to be presented to City Council (300,000 homes); Area II award to Group W (217,000 homes); Area III award to Group W (193,000 homes); Area IV award to Chicago Cable Communications (TCI/Cross Country joint venture) (226,000 homes); Area V award to Continental Cablevision (188,000 homes).
Countryside—award to Cablevision of Chicago 6/13/84 (2,200 homes).
Elmwood Park—award to Continental Cable 12/17/84 (9,500 homes).
Naperville—award to Rite Cable Co. of Illinois Limited 12/27/84 (17,500 homes).
St. Charles, Geneva—award to Centel 7/2/84 (10,000 homes).
Wheaton—award to Centel 7/2/84 (16,000 homes).
Winnetka—survey showed interest in cable insufficient to warrant franchise.
Woodbridge—terminated negotiations with Multimedia (260 homes).

Kentucky

Fulton—award to TCI 12/13/84 (2,400 homes).

Maryland

Baltimore—award to United Cable 12/19/84 (302,000 homes).

Massachusetts

Belchertown—received bid from Clearview Cablevision Inc.
Belmont—municipal ownership approved by general court, issued RFP (2,760 homes).
Berkley, Dighton, Freetown—provisional license to Continental Cablevision.
Boxborough—Cable Advisory Committee advises City Council to award provisional license to Nashoba (3,100 homes).
Cambridge—preliminary report evaluating proposals from American Cablesystems, Cambridge Cablevision Corp. and Cable Plus received from Rice and Assoc. (43,000 homes).
East Bridgewater—award to Continental Cable 12/3/84 (2,500 homes).
Groton—Nashoba and United will make presentations at public hearing 1/21/85.
Hamilton and Wenham—award to Continental Cable 3/5/84 (2,300 homes).
Holden—award to Massachusetts Cablevision Systems Inc. 7/84 (4,000 homes).
Holliston—award to Massachusetts Cablevision Systems Inc. 7/84 (3,922 homes).
Lincoln—temporarily suspended franchising process. (1,700 homes).
Marblehead—proposals received from Adams-Russell, Continental Cablevision, and Nashoba.
Medfield—preliminary award to Massachusetts Cablevision Systems 10/84 (3,400 homes).
Mendon—signed final contract with Massachusetts Cablevision Systems Inc. 1/7//85 (1,200 homes).
Middleborough—award to Continental Cablevision 5/14/84 (3,834 homes).
Nahant—awaiting response from Warner Amex (1,433 homes).
Sandwich—award to Campbell Communications (5,000 homes).
Seekonk—preliminary award to Massachusetts Cablevision (6,000 homes).
Shirley—provisional license granted to Nashoba Communications 10/29/84 (1,827 homes).
Southborough—provisional license to Greater Worcester Cablevision (2,000 homes).
Sterling—award to Wachusett Cablevision (2,000 homes).
Stow—provisional license to Adams-Russell 9/84 (1,600 homes).
Wayland—award to Continental Cablevision 6/4/84 (3,500 homes).
Westminster—preliminary award to Adams-Russell; Adams-Russell requested revision of rate structure.
Weston—award to Continental Cable Cooperative 8/6/84 (3,000 homes).
Westport—award to United Cablevision Funding 9/4/84 (5,500 homes).

Michigan

Homer Township—negotiating with Whitney Television (800 homes).
Lake Orion, Orion Township—award to Tribune United 11/84 (7,800 homes).

Minnesota

Amboy—award to Mid Communications Inc. 7/84 (280 homes).
Barrett—award to Battlelake Cable 7/84 (165 homes).
Belle Plaine—award to Dow-Sat of Minnesota 11/9/84 (973 homes).
Big Lake, Buffalo, Cokato, Dassel, Delano, Elk River, Monticello, Rockford, Watertown, Maple Lake—award to Rite Cable, under construction. (10,200 homes).
Bird Island—award to North American Communications Corp. 10/84 (566 homes).
Cannon Falls—award to North American Cable Communications Corp. (1,060 homes).

Mayor William Schaefer signed into law the 20-year franchise permitting United Cable Television of Baltimore Inc. to operate a cable television system within the city of Baltimore. This ended a five-year search and selection process by the city. The ceremony was witnessed by City Council President "Du" Burns, members of the Baltimore City Council and Samuel Street, vice president of United Cable Television Corp.

Credit River—award to North American Communications Corp. 10/84 (880 homes).
Eden Valley and Watkins—award to WesTel Inc. 2/84 (640 homes).
Floodwood—award to Individual Satellite System Inc. 8/84 (325 homes).
Glenville—award to WesTel 6/84 (275 homes).
Good Thunder—award to Mid Communications Inc. 7/84 (225 homes).
Grand Meadow—award to Southern Cablevision Inc. 9/84 (360 homes).
Hill City—award to Individual Satellite Systems 11/84 (400 homes).
Hinckley—award to Savage Communications 7/84 (420 homes).
Hokah—award to Valley Video Systems Inc. 7/84 (270 homes).
Holdingford—award to WesTel Inc. 2/84 (245 homes).
Howard Lake—award to WesTel Inc. 8/84 (510 homes).
Kerkhoven—award to Heritage Communications 7/84 (310 homes).
Lester Prairie, Winsted—award to Dowden Communications 7/84 (1,000 homes).
Lindstrom, Stacy—award to Dow-Sat of Minnesota (1,230 homes).
Mabel—award to Valley Video Systems Inc. 6/84 (325 homes).
Maple Plain—award to Dow-Sat of Minnesota (481 homes).
Mapleton—award to WesTel Inc. 8/84 (600 homes).
Mazeppa—award to Individual Satellite Systems 9/84 (280 homes).
Medford—award to WesTel Inc. 7/84 (300 homes).
Montrose—award transferred to Valley View 8/84 (300 homes).
Morristown—award to Cannon Valley Telecom Inc. 7/84 (250 homes).
Morton—award to Todd Communications Inc. 5/84 (225 homes).
Murdock—award to Cavanaugh Cable Co. 6/84 (140 homes).
New Prague—award to Valley View Cable Inc. 7/84 (1,130 homes).
Nisswa—award to Interlake Cablevision Inc. 5/84 (1,100 homes).
Northern Dakota City—preliminary award to Continental (25,000 homes).
Pierz—award to WesTel Inc. 8/84 (420 homes).
Renville—award to WesTel Inc. 7/84 (600 homes).
Rite—award to Benton Cooperative Telephone Co. 8/84 (165 homes).
St. Joseph—award to WesTel Inc. (1,100 homes).
St. Paul—city wins appeal in favor of Continental Cablevision (111,000 homes).
Sandstone—award to Savage Communications 9/84 (560 homes).
Savage—evaluating proposals from North American Cable Communications and Rite Cable (1,272 homes).
Sherburn—award to Rite Cable (10,200 homes).
Spring Grove—award to Valley Video Systems 8/84 (560 homes).
Spring Lake—award to North American Communications Corp. 10/84 (920 homes).
TriCity Cable Commission (Cold Springs, Richmond, Rockville)—award to WesTel Inc. 8/84 (1,200 homes).
Truman—award to Terril Telephone Co. 5/84 (550 homes).
Waconia—evaluating proposals from Dow Sat and WesTel (1,024 homes).
Waterville, Elysian—award to WesTel Inc. 8/84 (750 homes).
Waubeen—award to Harold Investments Inc. 9/84 (150 homes).
Wendell—award to M & E Cable 4/84 (95 homes).
West St. Paul, South St. Paul, Mendota Heights, Mendota, Inner Grove Heights, Lilydale, Sinfish Lake—preliminary award to Continental Cablevision 6/6/84 (24,032 homes).
Windom—city council approved municipal ownership 10/27/84 (1,875 homes).

Missouri

St. Louis—award to STL Cablevision Partners Inc. (75% of city) and St. Louis City Communications (25% of city) 4/11/84 (178,000 homes).

New Hampshire

Keene—Group W currently under non-exclusive franchise until 1991. Keene now receiving proposals and issued RFP until 2/1/85.
Manchester—award to United Cable.
Newton—negotiating with Harron Communications (1,124 homes).
Sandown—reviewing proposal from Harron Co. and Continental (800 homes).

New Jersey

Jersey City—moving ahead on municipal ownership despite lawsuit by Controlled Cable originally granted franchise.
Patterson—issuing RFP (55,000 homes).

New York

Mt. Upton—NewChannels denied award; future uncertain.
North Salem—award to Community Cable Services 12/84 (1,100 homes).
Norwich—terminated franchising process (100 homes).
Portland—Tribune Cable, Harborview, and U.S. Cable sent letters expressing interest. (150 homes).

North Carolina

Davie County—award to Summit Cable.
Jackson—award to Cable East (400 homes).

Ohio

Avon—award to Space Cable of Ohio 4/23/84 (2,000 homes).
Brooklyn—municipal ownership under consideration (4,000 homes).
Cleveland—RFPs issued, bids due 3/15/85.
Lordstown—cable issue dropped after feasibility study.
Oberlin—preliminary award to Oberlin Cable Co-op (2,600 homes).

Oregon

Dunthorpe—no response to RFP.
Seattle—city is divided into four parts; Group W, Viacom and Seattle Community Cablevision serve overlapping sections of three parts; part IV is beginning franchising process.
Sylvan—evaluating proposal from Sylvan Cable Television.

Pennsylvania

Philadelphia—city is divided into four areas; Area I award to Greater Philadelphia Cablevision; Area II award to Wade Communications; Area III award to Rollins; Area IV award to Comcast 11/84 (each area: 155,000 homes).

Rhode Island

Battleground—negotiating with Cox Cable (1,000 homes).
Newport (Area 7 includes Middletown, Portsmouth, Tiverton, Little Compton)—award to Bellevue Cablevision Inc.; appealed before Rhode Island Superior Court and Rhode Island Supreme Court (29,500 homes).

Virginia

Manassas—no response to RFP, bids due 1/11/85 (5,510 homes).

Washington

Battle Ground—negotiating with Cox Cable (1,000 homes).

Wisconsin

Hayward—award to Cable TV of Hayward (1,000 homes).
New Glarus—award to Telephone and Data Systems 7/17/84 (675 homes).
Waterford—award to Total TV 9/84 (600 homes).

Source: International Thomson Communications Inc.

Franchising in the top 50 markets

Rank	Market	Status of core city
1.	New York	Manhattan—2-OP; outer boroughs 8-FG
2.	Los Angeles	City is divided into 14 areas (A-n); 11-OP, 3-UC
3.	Chicago	City is divided into five areas; Area I-FP, Areas II, III-OP, Areas IV, V-FG
4.	Philadelphia	City is divided into four areas: Areas I, II, III, IV-FG
5.	San Francisco	OP (system to be upgraded)
6.	Boston	OP
7.	Detroit	FG
8.	Washington, D.C.	FG
9.	Cleveland	RP
10.	Dallas/Ft. Worth	Two systems-OP
11.	Houston	Two systems-OP
12.	Pittsburgh	OP
13.	Miami	OP
14.	Seattle/Tacoma	City is divided into five parts: (4-OP), (1-BP); Tacoma-OP
15.	Minneapolis/St. Paul	OP/UC
16.	Atlanta	OP
17.	St. Louis	UC/FG
18.	Tampa/St. Petersburg	OP/OP
19.	Denver	OP
20.	Baltimore	FG
21.	Sacramento/ Stockton	OP/OP
22.	Indianapolis	Two systems-OP
23.	Portland	Three systems-OP
24.	Phoenix	Three systems-OP
25.	Hartford/ New Haven	Two systems-OP
26.	Cincinnati	OP
27.	San Diego	Two systems-OP
28.	Kansas City	OP
29.	Milwaukee	OP
30.	Nashville	OP
31.	Charlotte	OP
32.	Buffalo	OP
33.	Providence/ New Bedford	OP/OP
34.	Orlando/ Daytona Beach	Two systems-OP
35.	New Orleans	OP
36.	Memphis	OP
37.	Columbus	Four systems-OP
38.	Greenville/Asheville/Spartanburg	Three systems-OP
39.	Grand Rapids/ Kalamazoo/ Battle Creek	Three systems-OP
40.	Birmingham	OP
41.	Raleigh/Durham	Two systems-OP
42.	Oklahoma City	Two systems-OP
43.	Louisville	Two systems-OP
44.	Salt Lake City	OP
45.	San Antonio	OP
46.	Charleston/ Huntington	Two systems-OP
47.	Norfolk/Newport News/New Hampton/Portsmouth	Four systems-OP
48.	Harrisburg/York/ Lebanon/Lancaster	Four systems-OP
49.	Wilkes Barre/ Scranton	Two systems-OP
50.	Albany/Schenectady/Troy	Three systems-OP

Legend

OP — operational
UC — under construction
FG — franchise granted
FP — franchise pending
PS — proposal submitted
RP — request for proposals issued
RPP — request for proposals pending
MO — considering municipal ownership
BP — beginning process

Source: International Thomson Communications Inc.